

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: May 27, 2011
POSITION: Neutral, note concerns
SPONSOR: California Community College Chancellor's Office

BILL NUMBER: AB 743
AUTHOR: M. Block

BILL SUMMARY: Community Colleges: Student Assessments

This bill would require the Board of Governors of the California Community Colleges to create a common assessment data system for community college student assessment and placement. Specifically, the system would: (1) provide a single common assessment instrument for California community colleges (CCC) in the areas of English, mathematics, and English as a second language; (2) create a secure data warehouse that would collect student assessment scores and available K-12 assessment data and transcript information of participating students; and (3) establish an internet web-portal that provides community college personnel and students access to specified assessment data, pretests, and advisement tools.

The bill would also require the California Community Colleges Chancellor's Office (CCCCO) to: (1) collaborate with the State Department of Education (SDE) and California State University (CSU) when developing the common college-readiness assessment standard, and (2) report to the Governor and the Legislature on the progress of implementing the common assessment system by December 31, 2012.

FISCAL SUMMARY

Depending on the scale of the project, the CCCCCO estimates this bill would cost \$1 million to \$10 million to develop a common assessment system and a centrally housed assessment data warehouse. Specifically, the costs would vary depending on the number of assessment tools developed and whether they were developed in-house or through a vendor. Currently, the CCCCCO indicates that it would pursue a scaled down approach using vendor assessments that would cost closer to \$1 million. The CCCCCO also estimates annual ongoing costs of approximately \$5 million for on-going system review, assessment administration, and reporting-related activities. However, the CCCCCO anticipates that a common assessment system would generate unspecified Proposition 98 General Fund savings for the CCC by allowing them to utilize a centralized assessment database rather than purchasing assessment tools individually.

The bill states that the development of this project is operative upon the receipt of state, federal, or philanthropic funds sufficient to cover the costs of the common assessment system. The CCCCCO received a \$500,000 grant from the Hewlett and Gates foundations that is available to partially fund development costs. To date, approximately \$150,000 has been used for initial project scoping activities and the remaining \$350,000 is available for future development costs of the assessment score data warehouse.

The Chancellor's Office notes that the state level requirements of collaborating with the SDE and CSU and submitting a report to the Governor and Legislature are absorbable within existing resources.

COMMENTS

The Department of Finance is neutral on this bill because the Chancellor's Office has indicated that the project can be funded within existing resources and that a common assessment system could generate

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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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some ongoing efficiencies by allowing CCC to access a centralized assessment tool at reduced costs; however we note the following concerns:

- Given the current budget constraints, additional state resources are not available to pursue this project at any cost. However, to the extent that non-state resources become available or existing Proposition 98 General Fund resources can be used to develop and implement the project, the funding concerns could be alleviated.
- Chapter 473, Statutes of 2008 (SB 946, Scott), expanded the Early Assessment Program (EAP) to include the CCC as an efficient means of utilizing an existing system to assess incoming CCC students. While we recognize the limitations of the EAP, we are cautious about pursuing another assessment system that may or may not meet the needs of the CCC since any potential savings would be dependent on the CCCs utilizing this common assessment system rather than purchasing their own assessment instruments.

Current law requires community colleges to provide matriculation services that include assessment and counseling or advisement for all nonexempt students in math and language skills. Currently, the governing board of each community college district is authorized to select an assessment tool from an approved list provided by the CCCCCO.

According to the author's office, absent a uniform method for assessing incoming students, students and colleges are faced with increased costs and reduced efficiency since many of the colleges only recognize their own tests and require students who were previously tested at other community colleges to be retested. This practice results in frustration for students, and duplicative and costly testing by community colleges.

SB 946 expanded the EAP operated by the CSU, in conjunction with the SDE, to include the CCC. The EAP evaluates the readiness of high school students in grade 11 for college-level English and mathematics. The CSUs and CCCs may waive the need for basic skills coursework if a student tests high enough on the EAP enhanced questions. We also note that the enhanced questions utilized by CSU may be administered by CCC without additional payments to a testing contractor.

However, the CCCCCO asserts that the EAP is not a sufficient assessment instrument because: (1) it does not reflect the appropriate information necessary for specific course placement for students entering college; (2) not all high school students will take the EAP because it is voluntary; and (3) many students may have higher placements when retesting at the community college level since they would have completed an additional year of high school.

The Budget Act of 2011 provides the CCC \$49.2 million Proposition 98 General Fund for matriculation services. The Chancellor's Office suggests that the savings generated by the common assessment system would free-up matriculation resources that could be used to fund the project at the local level.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2011-2012	FC	2012-2013	FC	2013-2014	Code
6870/Comm College	SO	No		-----	No/Minor Fiscal Impact	-----			0001
6870/Comm College	LA	Yes		-----	See Fiscal Summary	-----			0001